In the Supreme Court
OF THE
United States

OCTOBER TERM, 1966

No. 293

CATAPHOTE CORPORATION,
Petitioner,

vs.

DE SOTO CHEMICAL COATINGS, INC.,
Respondent.

OPPOSITION TO PETITION FOR THE WRIT OF CERTIORARI

The writ of certiorari should be denied. The petition presents no question warranting the time and the energy of this Court and there is no substance to the complaints which it urges. The case is a routine one, of interest only to the litigants, wherein a patentee lost a case at the trial level, and the Court of Appeals, after examining the record, affirmed the findings of fact, conclusions of law, and the judgment of the District Court.

OPINIONS BELOW

The petition correctly recites the opinions below.

JURISDICTION

The petition correctly recites the jurisdictional elements upon which it is based.

QUESTIONS PRESENTED

Can the petitioner obtain a second review merely by

1. Charging that the District Court denied due process when no due process question was raised before the District Court, and

2. Charging that the Court of Appeals denied due process when due process was first raised in that Court on a petition for rehearing, and

3. Charging the Court of Appeals with placing a burden of proof upon the patentee which the Court itself did not do?

STATEMENT OF THE CASE

Petitioner sued respondent for infringement of a patent on a thermoplastic highway marking composition and method for applying the composition to a surface, all of which stemmed from a single original patent application and a continuation-in-part application based on that orig-

inal. Both applications named one John A. Poole as sole inventor.

The original application disclosed compositions containing polystyrene resins. The continuation-in-part application added the disclosure of an alkyd resin to the original composition. The sixteen claims of the issued patent included several generic claims addressed to thermoplastic resins generally, certain claims directed to polystyrene resins and certain claims directed to alkyd resins.

As the Court of Appeals found, petitioner placed thermoplastic pavement marking compositions, specifically the polystyrene compositions, in public use and on sale more than one year prior to the filing of the original application.

While that original application was pending in the United States Patent Office, petitioner filed its continuation-in-part application on December 18, 1959, adding the alkyd resin claims which form the subject matter of the petition. With regard to the merits of the evidence, the District Court found (Petition, p. 32):

> ". . . the evidence is further clearly to the effect that Poole was not the inventor of the examples added by the application of December 18, 1959, which form the basis of the specifications of claims 3, 4 and 5. The evidence also clearly shows that the particular form of the product embodied in these claims is a non-substantial variation from Poole's original specifications of November 12, 1957 and, further, that any asserted differences between the composition publicly used, on sale, and sold and other claims of the patent are mere improvements or minor variations."

The District Court concluded as applicable to such facts (Petition, p. 33):

> "An improvement or mere variation of a minor character in a product, which is not the substance of the patent and does not add anything in itself patentable to it, will not avoid the invalidating effect of a prior public use or on sale. *International Tooth Crown Co. v. Gaylord,* 140 U.S. 55, 64, 11 S.Ct. 716, 35 L.Ed. 347 (1891); *Hall v. MacNeale,* 107 U.S. 90, 96, 2 S.Ct. 73, 27 L.Ed. 367 (1882); *Lettelier v. Mann,* 91 F. 917, 919 (C.C.S.D.Cal. 1899); *Trimpak Corp. v. Schenectady Lumber Co.,* 29 F.Supp. 85, 89 (NDNY 1939); *Freydberg Bros., Inc. v. Hamburger,* 17 F.2d 300, 303 (D. Md. 1927)."

On appeal, petitioner, as found by the Court of Appeals, urged (Petition, p. 19) "that the finding of public use and sale in excess of one year prior to patent application should not have been applied to this new patentable alkyd resin product." The Court of Appeals answered this argument (Petition, p. 20):

> "We conclude this argument is untenable. The alkyd resin patent claim is clearly barred by the same public use and sale which barred the styrene resin claim. The variation represented by the change in resin composition was not demonstrated to have entailed a patentable novelty. The variation involved was but a minor variation of the product, and added nothing which was patentable. The prior public use or sale which invalidated the patent application of November 12, 1957 similarly invalidated the continuation-in-part application."

On petition for rehearing, the Court of Appeals modified its opinion by holding specifically that the findings of the District Court were supported by the evidence (Petition, p. 24).

ARGUMENT

The subject matter of questions 1 and 2 as posed by petitioner, relating to the denial of due process, does not emerge from the record.

The District Court granted a separate trial "on the issue whether plaintiff's alleged invention is invalid because placed in public use or on sale in this country more than one year prior to the date of application for said patent within the meaning of 35 U.S.C. § 102(b) . . ." (Petition, p. 46). Clearly, the resolution of that issue carried with it the resolution of the subsidiary issue as to whether the prior public use of thermoplastic resins made of polystyrene invalidated claims to thermoplastic resins made with an alkyd. If, as found by the District Court and the Court of Appeals, the patentee was not the inventor of the alkyd resin and if, as found by the District Court and the Court of Appeals, the alkyd resins were a non-substantial variation from the original specifications and if, as found by the District Court and the Court of Appeals, the asserted differences were mere improvements or minor variations, there is no conflict in the authorities which the District Court applied and which support the holding that the prior public use or on sale has the effect of invalidating the entire patent.

Petitioner's complaint that it has been deprived of due process in this regard is a mere afterthought born after the issues had been fully tried and after petitioner's excuse that the prior public use or on sale was experimental had been rejected by both courts below.

Before the parties offered a single item of evidence, the District Court made it clear that the scope of inquiry on the separate trial would extend to the incidental question whether the use or sale of the polystyrene resins would invalidate the alkyd resin claims. The discussion on this issue alone occupied a substantial portion of the trial transcript (RT 18-47).

In respondent's opening case, respondent assumed the burden of proof, as it was required to by U. S. Code, Title 35, Section 282, to prove its defense of public use and on sale and offered portions of the deposition of the patentee John A. Poole to show that he was not the inventor of the subject matter of claims 3 through 5 (RT 229-238). This deposition was read over the objection of counsel for petitioner (RT 230-231). On this issue also, respondent examined Ezra M. Alexander, the laboratory director of petitioner and brought out that he—not Poole—had formulated the embodiment of the application which supported claims 3 through 5 (RT 185-195). This likewise was over objection of petitioner (RT 186-187). Respondent also read into evidence testimony of Charles E. Searight, president of petitioner, showing that there was no substantial difference between the two specific forms of thermoplastic resins (RT 249-250).

At the close of respondent's prima facie case, petitioner brought a motion to strike the defense as related to the

subject matter of claims 3, 4 and 5 (RT 286-289). The colloquy between counsel and the Court pertinent to the petition for certiorari concludes at page 289:

> "Mr. Merriam: The motion is for judgment on the alleged defense that Mr. Poole was not the inventor of the subject matter of Claims 3, 4 and 5 of the patent.
>
> "The Court: Was not the inventor of what?
>
> "Mr. Merriam: The subject matter of Claims 3, 4 and 5 of the patent.
>
> "The Court: Well, frankly, that is not the issue we are trying. We are trying the issue of prior use here and this question comes up only insofar as it may be related to that.
>
> "Mr. Merriam: Well, my motion would be, then, —What I am trying to avoid, Your Honor, is being put in a position of having to introduce evidence on that point. I don't think it has been established and yet I'd like to be sure on the point. It was not a point I expected to try at all.
>
> "The Court: Well, I will deny the motion."

After the motion was denied, petitioner did introduce evidence on that point. It examined Charles E. Searight, its president, and sought to prove the derivation of the formula in question from Mr. Poole's notebook (RT 481-484). Respondent went into this same subject matter on cross-examination (RT 493-499).

Not once during the entire trial did petitioner raise the issue of due process. After the evidence was in, the issues with regard to claims 3, 4 and 5 were argued on the merits and petitioner lost on the merits. The District Court, as it said it would, decided the issue of claims 3, 4 and 5 "only insofar as it may be related to that [issue of prior use]."

In the Court of Appeals, petitioner's specification of errors in its opening brief, required by the rules of the Court of Appeals for the Ninth Circuit, did not even mention due process. The only errors specified on the issues presented in the petition were the following (Appellant's Opening Brief, pp. 19-20):

> "11. The trial court erred in finding and holding that the evidence is further clearly to the effect that Poole was not the inventor of the examples added by the application of December 18, 1959, which form the basis of the specifications of Claims 3, 4 and 5 (R. 27).
>
> "12. The trial court erred in finding and holding that the evidence also clearly shows that the particular form of the product embodied in these claims (3, 4 and 5) is a non-substantial variation from Poole's original specifications of November 12, 1957 (R. 27).
>
> "13. The trial court erred in finding and holding that any asserted differences between the composition publicly used, on sale, and sold and other claims of the patent are mere improvements or minor variations (R. 27)."

Those specifications go to the merits of the issue and not to the question of due process.

After petitioner lost the appeal on the merits, it then, in the petition for rehearing, raised the question of due process for the first time.

Respondent submits that the trial before the District Court and the appeal before the Court of Appeals comported to all requirements of due process of law. The issues decided were implicit in, and incidental to, the general issue set down for separate trial.

Petitioner was given every opportunity to introduce evidence and did, in fact, introduce evidence on the issue. The question of due process of law was not raised until after both the District Court and the Court of Appeals decided adversely to petitioner on the merits of the controversy. The point—an obvious afterthought—is without merit.

The petition should be denied.

Dated, San Francisco, California,
July 22, 1966.

Respectfully submitted,

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PETITIONER'S REPLY BRIEF.

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PETITIONER'S REPLY BRIEF.

Petitioner prays that the instant reply brief be considered in view of respondent's misrepresentations in its brief in opposition.

The Questions Presented by Petitioner Are of Importance to All Property Owners.

If the actions of the trial court stand uncorrected, they become authority for depriving an owner of property without trying the issue of whether he should or should not be so deprived. All that is necessary is for the trial court to order him to trial on another issue affecting another piece of property, permit his antagonist, without previous notice, to offer evidence affecting the first piece of property, and instruct the property owner that issues affecting the first piece of property are not being tried.

The Question of Due Process Did Not Arise Until After the Trial.

Respondent argues that petitioner did not raise the due process question before the trial court.

During the trial, the District Court instructed petitioner that the only issue being tried was prior use (V. 4, p. 289). About a month after the trial, the court issued its opinion. This opinion included a decision on the additional issues of inventorship and patentability of claims 3-5, notwithstanding the court's instruction to petitioner that the only issue being tried was prior use. By deciding these additional issues after instructing petitioner otherwise, petitioner was denied due process; and the denial of due process occurred at the time the court issued its opinion, about a month after the trial.

Because the denial of due process did not occur until about a month after the trial, petitioner could hardly have raised the question of due process at the trial.

Petitioner Complained of the Trial Court's Actions in the Initial Proceedings at the Appellate Level.

Respondent argues that petitioner did not raise the due process question before the Court of Appeals until the petition for rehearing.

The trial court's actions in deciding the additional issues were questioned in the initial proceedings before the Court of Appeals; and the question was cast in terms of impropriety and unfairness. In this connection, reference is made to appellant's (petitioner's) opening brief at pages 40 and 44, and to appellant's (petitioner's) reply brief at page 16. The Court of Appeals, in its decision on the initial proceedings, completely ignored the question of whether the trial court's actions were improper or unfair.

Thereafter, in a petition for rehearing, petitioner again raised the question before the Court of Appeals, this time casting the question in terms of "due process." The actions complained of as denial of due process on the petition for rehearing and the actions complained of as improper and unfair in the initial proceedings before the Court of Appeals were identical.

On the petition for rehearing, the Court of Appeals ignored the due process question just as it ignored the same question, cast in the terms of impropriety and unfairness, in the initial proceedings before the Court of Appeals.

At No Time Did the Trial Court Ever Indicate That It Would Decide the Issues of Patentability and Inventorship of Claims 3-5.

Contrary to the contention in the second paragraph on page 6 of respondent's brief in opposition, the trial court never "made it clear that the scope of inquiry on the separate trial would extend to the incidental question of whether the use or sale of polystyrene resins would invalidate the alkyd resin claims." The portion of the transcript (Vol. 3, pp. 18-47) cited by respondent indicates no such thing. In that portion of the transcript the trial court was faced with the question of whether the additional issues should be *considered* at the separate trial, and the court stated (Vol. 3, p. 47):

> "Well, I tell you what we can do. We are here. Let him [respondent] go ahead and establish what he can by way of prior use, and we will just have it in mind that before we can make a determination here we have to resolve this situation."

The situation the court had to resolve was whether the additional issues were to be *considered* at the separate trial. It was not the additional issues, themselves, which the court indicated required resolution.

That the additional issues would *not* be tried at the separate trial was subsequently made clear when the court stated, in denying petitioner's motion for judgment on the additional issue of inventorship, "Well, frankly, that is not the issue we are trying. We are trying the issue of prior use here and this question [inventorship] comes up only insofar as it may be related to that" (Vol. 4, p. 289).

Petitioner's motion for judgment on the additional issue of inventorship was denied by the trial court because, as the trial court pointed out, "that is not the issue we are trying."

Moreover, it defies logic to contend, as does respondent, that the question of whether the inventor was Mr. Poole or Mr. Alexander is related to whether the character of a prior use is primarily experimental or primarily commercial.

The Trial Court Misled Petitioner to Forego Preparation and Submission of Evidence on the Additional Issues.

In its *prima facie* case, on the question of inventorship of claims 3-5, respondent offered deposition testimony of both Mr. Poole (the inventor named on the patent) and Mr. Alexander (at the time of the trial an employee of petitioner, and the person whom respondent contended was the inventor). Thereafter, the trial court made it clear that the question of inventorship "is not the issue we are trying." This instruction misled petitioner to forego preparation and submission of live testimony by Messrs. Poole and Alexander. Neither of these persons was at the trial, but at least Mr. Alexander, and possibly both Messrs. Alexander and Poole, could have been brought to the trial if petitioner had been given notice at any time before or during the separate trial that the additional issue of inventorship was one of the issues being tried.

Contrary to the contention in the last three lines on page 7 of respondent's brief, the trial court did not say that it would *decide* "the issue of claims 3, 4 and 5 'only insofar as it may be related to that [issue of prior use]'." Respondent distorts the statement of the trial court set forth at Vol 4, p. 289. What the trial court did say was that the issue of inventorship of claims 3-5 was not the issue being tried and that the question of inventorship of claims 3-5 *comes up* only insofar as it may be related to the issue of prior use. As previously pointed out, there was no logical relationship between the one issue (whether the inventor is Poole or Alexander) and the other issue (whether the character of the prior use was primarily experimental or primarily commercial).

Moreover, when the trial court instructed petitioner that the only issue being tried was prior use, it did not say it would consider the further additional issue of patentability of claims 3-5, in any way, either directly or incidentally.

Respondent does not deny that petitioner submitted no evidence on the issue of patentability of claims 3-5 after having been instructed by the trial court that the only issue being tried was prior use.

Conclusion.

It is respectfully submitted that the petition for a writ of certiorari herein sought should be granted.

Respectfully submitted,

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